

# Claims Clues

A Publication of the AHCCCS Claims Department

May, 2002

## New Application Form Simplifies Process

**W**ith the growing number of AHCCCS programs, individuals needing medical services may not know where to apply or what program they may be eligible for.

The AHCCCS Administration has designed a new application form that contains enough information to allow AHCCCS eligibility staff to determine eligibility or refer the application to the appropriate agency for an eligibility determination. Using the new *Application for AHCCCS Health Insurance*, an individual can complete one application for all members of the family. The new application includes sections that allow the applicant to authorize a representative and to authorize the release of

information to someone who is helping with the application process.



In addition, AHCCCS has developed an AHCCCS health insurance brochure to accompany the application. The brochure provides information about the different AHCCCS programs, services, and eligibility requirements.

These improvements were made in response to the team efforts of

staff from AHCCCS and the Department of Economic Security and input from users such as hospitals and community based organizations.

Because the *Application for AHCCCS Health Insurance* captures more information, providers are asked to destroy all KidsCare, AHCCCS Medical Benefits, and Universal Applications dated prior to September 2001.

To obtain the new version of the *Application for AHCCCS Health Insurance*, providers can visit the AHCCCS Website at [www.ahcccs.state.az.us](http://www.ahcccs.state.az.us). Providers who would like a supply of applications should call (602) 417-4170 or 1-800-654-8713, Ext. 74170. □

## Reimbursement of SESP Claims Halted

**T**he AHCCCS Administration has suspended reimbursement of claims for services provided to State Emergency Services Program (SESP) recipients due to a lack of appropriated funds.

Legislation approved during the recently completed Third Special Session (Laws 2002, Third Special Session, Chapter 1, Section 3) eliminated reimbursement for inpatient and outpatient hospital claims for SESP

recipients with dates of service on and after March 1, 2002.

In addition, no payments have been made after March 21 to any other providers for SESP claims due to a lack of appropriated funds. AHCCCS is pending the non-hospital claims for SESP recipients while awaiting a decision by the Legislature regarding additional Fiscal Year 2002 funding.

These pending claims are listed in the Claims in Process section of

the AHCCCS Fee-For-Service Remittance Advice. Providers should not resubmit these pending claims because they will be denied as duplicates.

Reimbursement of claims for the treatment of end stage renal disease and for radiation and chemotherapy to treat a diagnosed cancer for persons who were determined eligible on or before November 1, 2001 is not impacted by the lack of SESP funding. □

**Anesthesia Providers: Please See Attached Survey**

## Providers May Be Terminated for Inactivity

A provider's participation in the AHCCCS program may be terminated for any of several reasons, including inactivity.

Provider participation may be terminated if the provider does not submit a claim to the AHCCCS Administration or one of the AHCCCS-contracted health plans or program contractors within a 24-

month period. AHCCCS recently terminated the ID numbers of nearly 4,000 providers for inactivity.

AHCCCS also may terminate a provider's participation due to loss of contact with the provider. Contact is considered to be lost if mail is returned as undeliverable by the Postal Service. Providers must inform the Provider Registration Unit of any address changes to

avoid misdirected or lost mail and possible termination of provider status.

Provider participation also may be terminated if the provider's mandatory license or certification lapses or is revoked or suspended.

Providers should refer to Chapter 3 of the *AHCCCS Fee-For-Service Provider Manual* for information on provider participation. □

## Medicare Cost Sharing for Plans Clarified

The AHCCCS Office of Managed Care has clarified the Medicare Cost Sharing Policy for AHCCCS acute care and ALTCS health plans.

As a result, some health plans are following the policy more closely than before, and this has caused some confusion in the provider community. The policy states:

"Contractors shall have no cost sharing obligation if the Medicare payment exceeds the Contractor's

contracted rate for the services. The Contractor's liability for cost sharing plus the amount of Medicare's payment shall not exceed the Contractor's contracted rate for the service. With respect to copayments, the Contractor may pay the lesser of the copayment, or their contracted rate."

Some plans may apply the policy more liberally with the understanding that the Medicare Cost Sharing Policy presents the

most restrictive methodology for reimbursement.

Several providers have noted that the AHCCCS Administration pays the full coinsurance and deductible for claims for fee-for-service recipients. This is because the AHCCCS Administration does not subcontract with providers and follows its own internal policies.

Questions regarding the policy may be directed to Anne Winter in the Office of Managed Care at (602) 417-4591. □

## Remit Identifies Required Medical Documentation

The AHCCCS Claims Medical Review Unit no longer routinely sends billing providers a "Medical Documentation Request Form" when additional medical records are required to process a claim.

The Remittance Advice that is mailed to the billing provider lists the denial reason codes, and the

code definitions are printed on the Processing Notes page. Medical Review denial codes are very specific and identify which documents are being requested.

Example: MD006 = Resubmit with discharge summary.

Providers must enter the Claim Reference Number (CRN) on the documentation so that it can be

linked to the appropriate claim.

If the Medical Review Unit needs to make an unusual or complex request, the "Request for Documentation" Form will be used as in the past. That form, along with the "Not Covered/Unsubstantiated Charges" form, are mailed out weekly. □

### Need Help with a Claim?

Contact Claims Customer Service  
(602) 417-7670 (Phoenix area)  
(800) 794-6862 (In state)  
(800) 523-0231 (Out of state)

Hours: 7:30 a.m. – Noon  
12:30 – 4:00 p.m.



## Anesthesia Services



### Billing Survey

The AHCCCS Claims Department is examining alternative methods of processing bills for anesthesia services.

AHCCCS currently requires providers to bill the appropriate ASA code and only the number of time units, in 15-minute increments. This is because the AHCCCS system maintains base units for each ASA code. Base units are systematically added to the number of units billed, and the total is multiplied by \$26.49 to obtain the allowed amount. Depending on the survey results, we would consider changing this part of the process, so that providers could bill base plus time and/or the total units.

Anesthesia providers are encouraged to complete this survey. Results of the survey will help AHCCCS determine if the current policies and procedures regarding billing for anesthesia services should be modified.

Please return mail or fax survey to:

AHCCCS Claims Policy Section  
Mail Drop 8100  
701 E. Jefferson Street  
Phoenix, AZ 85034

AHCCCS Claims Policy Section  
Fax: (602) 256-1474

1. Do any other third party payers follow AHCCCS billing requirements? ☐ Yes ☐ No (Go to No. 3)
2. If you checked "Yes" above, how many payers follow AHCCCS billing requirements? \_\_\_\_\_
3. Describe the most common billing requirements of other third party payers (e.g., time, base plus time, etc.).  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
4. Do you prefer the billing requirements described in No. 3? ☐ Yes ☐ No (Describe your preferred billing method below)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Provider Name: \_\_\_\_\_

Name of contact person: \_\_\_\_\_ Provider ID: \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ ZIP Code: \_\_\_\_\_

Telephone: (      ) \_\_\_\_\_ E-mail: \_\_\_\_\_